

Sec. 37.14.001. Mental health trust.

In carrying out its trust obligations under the Mental Health Enabling Act of 1956, the state acts through the governor, the legislature, and the Alaska Mental Health Trust Authority ([AS 47.30.011](#)).

Sec. 37.14.003. Responsibilities of the governor.

(a) At the time the governor submits the report under [AS 37.07.060](#)

(b), the governor shall submit to the legislature a separate appropriation bill limited to appropriations for the state's integrated comprehensive mental health program.

(b) If the appropriations in the bill submitted by the governor under (a) of this section differ from those proposed by the authority, the bill must be accompanied by a report explaining the reasons for the differences between the proposed appropriations in the governor's bill and the authority's recommendations for expenditures from the general fund for the state's integrated comprehensive mental health program.

(c) If the governor vetoes all or a part of an appropriation for the integrated comprehensive mental health program, the governor's veto message must explain the vetoes in light of the authority's recommendations for expenditures from the general fund for the state's integrated comprehensive mental health program.

Sec. 37.14.005. Responsibilities of the legislature.

(a) The legislature shall annually pass and transmit to the governor a bill making appropriations of money for the state's integrated comprehensive mental health program.

(b) The legislature shall make appropriations for the state's integrated comprehensive mental health program in a separate appropriation bill limited to appropriations for the state's integrated comprehensive mental health program.

(c) If the appropriations in the bill passed by the legislature differ from those proposed by the authority, the bill must be accompanied by a report explaining the reasons for the differences between the appropriations in the bill and the authority's recommendations for expenditures from the general fund for the state's integrated comprehensive mental health program.

Sec. 37.14.007. Authority as trustee.

(a) The Alaska Mental Health Trust Authority, established by [AS 47.30.011](#), is the trustee of the trust established under the Alaska Mental Health Enabling Act of 1956, P.L. 84-830, 70 Stat. 709.

(b) In exercising the powers, duties, and responsibilities as trustee, the authority is under a duty to the public and the trust beneficiaries to

(1) administer the trust consistent with [AS 37.14.009](#) in the interest of the beneficiaries;

(2) keep and render clear and accurate accounts with respect to

the administration of the trust;

(3) make public and available complete and accurate information as to the nature and amount of the trust property;

(4) exercise a high degree of care in administering the trust;

(5) take reasonable steps to take and keep control of the trust property;

(6) use care and skill to preserve the trust property;

(7) take reasonable steps to realize on claims that are held in trust;

(8) defend against actions that may result in a loss to the trust estate, unless under all the circumstances, considering the other duties owed to the trust, it is reasonable not to make the defense;

(9) separately account for trust property;

(10) ensure that trust property is designated as property of the trust;

(11) use care and skill to make the trust property productive; however, nothing in this paragraph shall prevent the state from using trust property directly or indirectly, by contractual stipulation or otherwise, as a component of the state's mental health trust program; and

(12) deal impartially with the different trust beneficiaries as provided in [AS 47.30.056](#).

Sec. 37.14.009. Trust management.

(a) The Alaska Mental Health Trust Authority

(1) has a fiduciary obligation to ensure that the assets of the trust are managed consistent with the requirements of the Alaska Mental Health Enabling Act, P.L. 84-830, 70 Stat. 709 (1956);

(2) shall contract with the Department of Natural Resources to manage the land assets of the trust; the contract must provide for the recording of at least one conveyance to the authority by quitclaim deed of mental health trust land in each recording district in the state in which mental health trust land is located; a conveyance to the authority is exempt from the platting and surveying requirements of [AS 38.04.045\(b\)](#) and municipal ordinances adopted under [AS 29.40](#); when the Department of Natural Resources manages land assets of the trust under a contract entered into under this paragraph, the department shall

(A) manage in conformity with [AS 38.05.801](#);

(B) consult with the authority before adopting regulations under [AS 38.05.801\(c\)](#);

(C) provide notice to, and consult with, the authority regarding all proposed actions subject to public notice under [AS 38.05.945](#) before giving that public notice;

(D) annually provide the authority with a report including
(i) a description of all land management activities undertaken under this section during the prior year;

(ii) an accounting of all income and proceeds generated

from mental health trust land;

(iii) an explanation of the manner in which the income and proceeds were allocated between the mental health trust fund and the mental health trust settlement income account; and

(E) obtain the approval of the authority before exchanging mental health trust land under AS 38.05.801(b)(2); and

(3) shall contract with Alaska Permanent Fund Corporation for management of the mental health trust fund.

(b) [Repealed, § 39 ch 5 FSSLA 1994.]

Sec. 37.14.010. Mental health fund established. [Repealed, § 13 ch 48 SLA 1987.]

Sec. 37.14.011. Mental health trust income account. [Repealed, § 12 ch 1 SSSLA 1994.]

Sec. 37.14.013. Mental health trust income and proceeds account. [Repealed, § 49 ch 5 FSSLA 1994; § 9 ch 1 SSSLA 1994.]

Sec. 37.14.020. Mental Health Fund Advisory Board created. [Repealed, § 13 ch 48 SLA 1987.]

Sec. 37.14.021. Utilization of the mental health trust income account. [Repealed, § 39 ch 5 FSSLA 1994.]

Sec. 37.14.023. Utilization of the mental health trust income and proceeds account. [Repealed, § 49 ch 5 FSSLA 1994; § 9 ch 1 SSSLA 1994.]

Sec. 37.14.030. Powers and duties of board. [Repealed, § 13 ch 48 SLA 1987.]

Sec. 37.14.031. Trust fund established.

(a) The mental health trust fund is established as a separate fund of the Alaska Mental Health Trust Authority.

(b) The fund consists of the cash assets of the principal of the trust, and includes

(1) money appropriated to the fund;

(2) the proceeds of sale or other disposals of mental health trust land, and the fees, charges, income earned, royalty proceeds, and other money received from the management of mental health trust land attributable to principal; and

(3) gifts, bequests, and contributions from other sources.

(c) The net income of the fund shall be determined by the Alaska Permanent Fund Corporation in the same manner the corporation determines the net income of the Alaska permanent fund under AS 37.13.140.

(d) The authority shall adopt regulations providing for the determination of amounts attributable to principal under (b)(2) of this section. The regulations must provide for the allocation between principal and income of money received from the management of mental health trust land, and the manner of allocation must be in the long-term best interest of the trust and its beneficiaries.

Sec. 37.14.033. Management of trust fund.

The mental health trust fund shall be managed by the Alaska Permanent

Fund Corporation under [AS 37.13.300](#).

Sec. 37.14.035. Trust fund utilization.

(a) The cash principal of the mental health trust fund shall be retained perpetually in the fund for investment by the Alaska Permanent Fund Corporation, as specified in [AS 37.13.300](#).

(b) The net income of the fund shall be transferred by the corporation to the mental health trust settlement income account at the end of each fiscal year.

(c) The net income of the fund may only be utilized by the Alaska Mental Health Trust Authority for the purposes listed in [AS 37.14.041](#).

Sec. 37.14.036. Trust settlement income account established.

(a) The mental health trust settlement income account is established as a separate account of the Alaska Mental Health Trust Authority. The mental health trust settlement income account consists of

(1) fees, charges, income earned on assets, and other money received by the trust that is not attributable to the principal of the trust under [AS 37.14.031\(d\)](#); and

(2) money deposited in the account in accordance with appropriations or allocations made by law.

(b) The authority may establish subaccounts within the mental health trust settlement income account.

(c) [Repealed, § 39 ch 5 FSSLA 1994.]

Sec. 37.14.039. Trust settlement income account administration.

(a) The mental health trust settlement income account shall be administered by the Alaska Mental Health Trust Authority.

(b) If the authority determines that there is a surplus of money in the account above the amount sufficient to meet current and projected cash expenditure needs of the authority, the surplus shall be invested by the authority as provided in [AS 37.10.071](#) for the making of investments by the fiduciary of a state fund. Income earned on investments made under this subsection may be retained by the authority and expended under [AS 37.14.041](#).

Sec. 37.14.040. Fund utilization. [Repealed, § 13 ch 48 SLA 1987.]

Sec. 37.14.041. Use of trust settlement income account.

(a) Money in the mental health trust settlement income account may only be used for the following purposes:

(1) the awarding of grants and contracts in fulfillment of the authority's purpose to ensure an integrated comprehensive mental health program for the state;

(2) obtaining private and federal grants for a purpose described in (1) of this subsection;

(3) soliciting gifts, bequests, and contributions for a purpose described in (1) of this subsection;

(4) reimbursement to

(A) the Alaska Permanent Fund Corporation for the costs of managing the principal of the mental health trust fund; and

(B) the Department of Natural Resources for the cost of managing mental health trust land;

(5) offsetting the effect of inflation on the value of the principal of the mental health trust fund; and

(6) subject to [AS 37.07](#) (Executive Budget Act), meeting the necessary administrative expenses of the authority that are required for it to properly discharge its responsibilities.

(b) If money in the mental health trust settlement income account is not needed to meet the necessary expenses of the state's integrated comprehensive mental health program, the authority shall transfer the money to the unrestricted general fund for expenditure through legislative appropriation for other public purposes.

Sec. 37.14.045. Limitation on grants and contracts paid for from mental health trust settlement income account.

(a) The authority may award grants and contracts that are paid for from money in the mental health trust settlement income account only in furtherance of its purpose to ensure an integrated comprehensive mental health program.

(b) In awarding grants and contracts that are paid for from money in the mental health trust settlement income account, the authority shall consider proposals only from applicants submitting a detailed proposal in the form prescribed by the authority.

(c) The authority may not award a grant or contract that is to be paid for from money in the mental health trust settlement income account unless the authority makes written findings explaining that

(1) the grant or contract awarded will further the authority's purpose to ensure an integrated comprehensive mental health program;

(2) the applicant has submitted an adequate plan for project implementation, including both financial feasibility and project effectiveness;

(3) the applicant has demonstrated that sufficient expertise is available to accomplish the objectives of the proposed program or project; and

(4) the applicant has identified operating, maintenance, and other costs associated with the project, including those ancillary to the project, and future obligations associated with the project.

(d) The authority may establish other requirements for the award of grants and contracts under this section to ensure an integrated comprehensive mental health program.

(e) The authority shall award grants and contracts that are paid for from money in the mental health trust settlement income account in

amounts that

(1) are appropriate to the conditions of the applicant and the proposed program or project; and

(2) will make the most effective use of the funds in the mental health trust settlement income account that are available for expenditure.